Paper No. 36

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte JOHN W. CHANEY, MICHAEL S. DEISS and BILLY W. BEYERS

Appeal No. 2000-1507
Application No. 08/792,816

ON BRIEF

Before KRASS, RUGGIERO and BARRY, Administrative Patent Judges.

KRASS, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the final rejection of claims 37-46, 48 and 49, all of the pending claims.

The invention is directed to a high speed signal processing smart card. More

card, the present invention incorporates the descrambling unit, together with the key generating unit, within the smart card body, thus disallowing access to the descrambling key by a "hacker," and permitting modification of the descrambling algorithm by simply replacing the card rather than having to modify an external descrambling unit.

Representative independent claim 37 is reproduced as follows:[1]

37. Apparatus for processing a signal comprising:

(a) a card body;

(b) means for receiving a digital input stream from a location external to said card body, said input stream having a control component and a scrambled data component identified by respective header portions, said scrambled data component comprising at least one of audio and video data;

(c) means for generating, within said card body, a key code in response to said control component;

(d) means for descrambling, within said card body, said data component in response to said key code to produce an output stream having a descrambled data component;

(e) transport means, within said card body, for detecting said header portions of said components, separating said input stream into said components and routing, within said card body, said control component to said generating means and said scrambled data component to said descrambling means in accordance with said header portions;

(g) means for providing said output stream to a location external to said card body.

The examiner relies on the following references:

Horne et al. [Horne]	4,803,725	Feb. 07, 1989
Gammie et al. [Gammie]	5,237,610	Aug. 17, 1993

Claims 37-46, 48 and 49 stand rejected, alternatively, under 35 U.S.C. § 102 (b) as anticipated by Horne and/or 35 U.S.C. § 103 as unpatentable over Horne in view of Gammie.

Reference is made to the briefs and answer for the respective positions of appellants and the examiner.

OPINION

At the outset, we note that appellants made a request, in the principal brief, for an oral hearing. In view of our reversal of the examiner's decision, as outlined below, such request is deemed moot.

We REVERSE.

It is the examiner's position, with regard to the rejection under 35 U.S.C. § 102(b), that Horne teaches all of the claim limitations, except possibly, for the "integration" of the decryption circuitry. It is the examiner's position that Horne does,

obvious, within the meaning of 35 U.S.C. § 103, to modify Horne so that the descrambler circuit is an integrated circuit meeting the requirement of ISO standard 7816-2.

The portion of column 2 of Horne to which the examiner refers, "The decryption circuit, being totally digital, can be implemented using semi-custom or custom integrated circuits," does not, in our view, serve as a teaching or a suggestion of having a smart card body wherein a means for generating a key code, a means for descrambling, a transport means, and a means for coupling the key code between the generating means and the descrambling means are all "within said card body," as claimed.

Rather, the cited portion of Horne merely indicates that an integrated circuit may be used to implement the decryption circuit described by Horne. That is no suggestion for placing the generating, descrambling, transport and coupling means all within the card body, as claimed.

As indicated by appellants, since Horne uses various blocks 26, 27 and 29 to generate a key and then couples the key to an audio data decryptor component 24, the information passed between the various components is passed in an unprotected

Since we find no teaching or suggestion in Horne for placing generating, descrambling, transport and coupling means within the card body, as claimed, we will not sustain the rejection of the claims under 35 U.S.C. § 102 (b).

We also will not sustain the rejection of the claims under 35 U.S.C. § 103 because, even assuming, arguendo, that Gammie teaches a decrypting circuit as an integrated circuit meeting the reqirements of ISO standard 7816-2, we find no convincing rationale by the examiner for integrating all of the above-recited elements into the card body, as claimed.

Moreover, we agree with appellants [reply brief-page 3] that while the examiner contends that Gammie teaches the integrating of a descrambler onto a single module integrated circuit ala ISO 7816/2, Gammie, at columns 18-19, merely states that "replaceable security module 714" may take the form of a "smart card" as defined by ISO 7816/1 and ISO 7816/2, and Gammie does not teach or disclose the integration of a descrambler onto a smart card. The descrambling unit 873 of Gammie appears to be external to security module 714, i.e., the "smart card." Thus, contrary to the examiner's position, any combination of Gammie with Horne would still not result in the instant claimed invention.

The examiner's decision rejecting claims 37-46, 48 and 49 under both 35 U.S.C. § 102 (b) and 35 U.S.C. § 103 is reversed.

REVERSED

ERROL A. KRASS Administrative Patent Judge	)))))) BOARD OF PATENT
JOSEPH F. RUGGIERO Administrative Patent Judge	) APPEALS) AND) INTERFERENCES
LANCE LEONARD BARRY Administrative Patent Judge	)))))

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